



# Newsletter

## TAIWAN FUTURES EXCHANGE



### I. News and Events

- **TAIFEX Reported Steady Volume Increase in May**

Taiwan Futures Exchange (TAIFEX) reported a total volume of 28,470,405 contracts with an average daily volume (ADV) of 1,294,109 contracts traded in May 2023, an increase of 11.30% in monthly ADV as compared to April. ADV of TAIEX Options (TXO), Single Stock Futures (STF) and TAIEX Futures (TX) grew 20.64% to 748,914 contracts, 3.97% to 174,697 contracts, and 0.55% to 129,542 contracts over the previous month, respectively, while that of Mini-TAIEX Futures (MTX) showed a slight decrease of 2.68% to 221,887 contracts. For the night trading session, the overall ADV traded overnight also rose 23.07% over April and accounted for 29.41% of the market's total volume.

- **Dynamic Price Banding Mechanism Applied to Gold Options**

The Exchange started to implement Dynamic Price Banding Mechanism (DPBM) in stages starting from 2018 to enhance price stability. The mechanism currently covers all futures products, as well as index and ETF options. On June 5, 2023, TAIFEX expanded the application of the mechanism to include Gold Options, further broadening the range of DPBM-applicable products to commodity options. For more information, please visit [here](#).

- **TAIFEX Implemented Cancel on Disconnect to Proprietary Traders**

TAIFEX recently expanded its Kill Switch functionality to encompass futures brokers in addition to futures proprietary traders, effective from March 20. As part of the Exchange's ongoing efforts to protect market participants and enhance security, TAIFEX further introduced Cancel on Disconnect (COD) service to mitigate transaction risks due to accidental disconnections, starting June 5, 2023. During the initial phase, COD is only available to futures proprietary traders. FCMs wishing to enable the COD functionality shall comply with relevant provisions and obtain TAIFEX's prior approval. For more information, please visit [here](#).

## II. Statistics

### • TAIFEX Trading Volume

Contract	Ticker Symbol	Monthly Volume				YTD Volume May 2023	ADV Jan-May 2023	Month-End OI May 2023
		May 2023		May 2022				
Index Futures	TX	2,849,919	10.0%	3,914,520	11.4%	12,779,672	10.8%	137,416
	MTX	4,881,510	17.1%	7,389,759	21.5%	23,287,607	19.7%	250,404
	TE	43,772	0.2%	63,194	0.2%	177,212	0.1%	1,906
	ZEF	92,763	0.3%	109,692	0.3%	375,790	0.3%	4,041
	TF	23,532	0.1%	65,122	0.2%	103,608	0.1%	1,114
	ZFF	17,295	0.1%	28,762	0.1%	60,143	0.1%	647
	XIF	2,177	0.0%	3,657	0.0%	11,499	0.0%	124
	GTF	830	0.0%	428	0.0%	3,431	0.0%	37
	G2F	4,032	0.0%	2,533	0.0%	15,820	0.0%	170
	T5F	--	--	98	0.0%	--	--	--
	TJF	5,108	0.0%	983	0.0%	9,675	0.0%	104
	SPF	2,672	0.0%	4,917	0.0%	12,515	0.0%	135
	UDF	66,074	0.2%	94,280	0.3%	236,874	0.2%	2,547
	UNF	60,219	0.2%	132,978	0.4%	320,054	0.3%	3,441
	BTF	1,871	0.0%	267	0.0%	5,343	0.0%	57
	E4F	298	0.0%	2,002	0.0%	4,373	0.0%	47
	F1F	4,270	0.0%	5,485	0.0%	18,464	0.0%	199
	SOF	4,531	0.0%	--	--	29,131	0.0%	313
	SHF	2,086	0.0%	--	--	10,287	0.0%	111
Index Options	TXO	16,476,097	57.9%	17,674,196	51.4%	64,915,058	54.8%	698,011
	TEO	6,925	0.0%	20,511	0.1%	17,644	0.0%	190
	TFO	4,668	0.0%	14,281	0.0%	20,902	0.0%	225
Single Stock Futures	STF	3,843,337	13.5%	4,788,935	13.9%	15,571,182	13.2%	167,432
Equity Options	STO	3,879	0.0%	3,145	0.0%	9,654	0.0%	104
Commodities Futures and Options	TGF	6,550	0.0%	8,445	0.0%	27,268	0.0%	293
	GDF	2,384	0.0%	2,550	0.0%	10735	0.0%	115
	TGO	1,593	0.0%	2,139	0.0%	8,999	0.0%	97
	BRF	269	0.0%	4,926	0.0%	2,685	0.0%	29
ETF Futures	ETF	50,764	0.2%	57,081	0.2%	234,710	0.2%	2,524
ETF Options	ETO	3,156	0.0%	4,539	0.0%	31,074	0.0%	334
FX Futures	RHF	140	0.0%	262	0.0%	2,513	0.0%	27
	RTF	2,518	0.0%	2,830	0.0%	10,125	0.0%	109
	XEY	1,127	0.0%	771	0.0%	5,563	0.0%	60
	XJF	2,498	0.0%	1,848	0.0%	14,365	0.0%	154
	XAF	1,003	0.0%	1,020	0.0%	3,727	0.0%	40
	XBF	538	0.0%	728	0.0%	4,147	0.0%	45
Total		28,470,405	100.0%	34,406,884	100.0%	118,351,849	100.0%	1,272,601
								1,025,002

**Legend :**

**TX:** TAIEX Futures, **MTX:** Mini-TAIEX Futures, **TE:** Electronics Sector Index Futures, **ZEF:** Mini Electronics Sector Futures, **TF:** Finance Sector Index Futures, **ZFF:** Mini Finance Sector Futures, **XIF:** Non-Finance Non-Electronics Sub-Index Futures, **GTF:** Taipei Exchange Stock Index Futures, **G2F:** TPEx 200 Futures, **T5F:** Taiwan 50 Futures, **TJF:** TOPIX Futures, **SPF:** S&P 500 Futures, **UDF:** DJIA Futures, **UNF:** Nasdaq-100 Futures, **BTF:** TIP Taiwan BIO Futures, **E4F:** F4G TIP TW ESG Futures, **F1F:** FTSE® 100 Futures, **SOF:** Taiwan Semiconductor 30 Futures, **SHF:** Shipping and Transportation Sector Futures, **TXO:** TAIEX Options, **TEO:** Electronics Sector Index Options, **TFO:** Finance Sector Index Options, **STF:** Single Stock Futures, **STO:** Equity Options, **TGF:** TWD-Denominated Gold Futures, **GDF:** Gold Futures, **TGO:** TWD-Denominated Gold Options, **BRF:** Brent Crude Oil Futures, **ETF:** ETF Futures, **ETO:** ETF Options, **RHF:** USD/CNH FX Futures, **RTF:** USD/CNT FX Futures, **XEY:** EUR/USD FX Futures, **XJF:** USD/JPY FX Futures, **XAF:** AUD/USD FX Futures, **XBF:** GBP/USD FX Futures.

**Note :**

- Launched in June 2022: Taiwan Semiconductor 30 Futures (SOF) and Shipping and Transportation Sector Futures (SHF)
- Delisted in September 2022: Taiwan 50 Futures (T5F)

- **Distribution of Participants**

Participants		Jan-May 2023		2022		2021	
<b>Retail Investors</b>		48.67%		48.47%		48.27%	
<b>Institutional Investors</b>	Futures Proprietary Trading	51.33%	22.01%	51.53%	19.20%	51.96%	19.19%
	Securities Proprietary Trading		0.46%		0.44%		0.28%
	Foreign Investors		28.15%		31.21%		31.46%
	Securities Investments Trusts		0.17%		0.15%		0.15%
	Commodity Pool Operators		0.06%		0.08%		0.06%
	Other Institutional Investors		0.49%		0.44%		0.59%

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